Example 1 – Joint Venture Affiliation

ABC Company
$3.5M
annual receipts

+

XYZ Company
$3.5M
annual receipts

=

“Acme New Small Business: a JV”

Environnemental Consulting Services

NAICS code 541620: $6.5M size standard

Example 1 – Joint Venture Affiliation

- Small business set-aside

- Environmental Consulting Services NAICS:541620 size standard: $6.5M

- Estimated value of the procurement: $3M

Can ABC company and XYZ company with combined receipts of $7 million compete as Acme small business joint venture for the set-aside?

Example 1 – Joint Venture Affiliation

ABC Company
$3.5M
annual receipts

+

XYZ Company
$3.5M
annual receipts

=

"Acme
New Small Business:
a JV"

No. The firms are "affiliated" as a JV. The ***combined*** revenues of ABC & XYZ companies exceed the size standard of $6.5M thus Acme is *not* a small business JV.

Example 2 – Joint Venture Exception to Affiliation

ABC Company
$3.5M
annual receipts

+

XYZ Company
$3.5M
annual receipts

=

“Acme New Small Business: a JV”

Environnemental Consulting Services

NAICS code 541620: $6.5M size standard

Example 2 – Joint Venture Exception to Affiliation

- Small business set-aside

- Environmental Consulting Services NAICS:541620 size standard: $6.5M

- Estimated value of the procurement: $4M

Can ABC company and XYZ company with combined receipts of $7 million compete as Acme small business joint venture for the set-aside?

Example 2 – Joint Venture Exception to Affiliation

ABC Company
$3.5M
annual receipts

+

XYZ Company
$3.5M
annual receipts

=

"Acme
New Small Business:
a JV"

Yes. The value of the procurement is > half the NAICS size standard, and ABC Company and XYZ Company ***individually*** are small businesses thus Acme is a small business JV.